

**REMARKS**

Pursuant to the amendments set forth above, claims 16, and 18-21 have been amended and claims 1-7, 10, 13-15 and 17 have been cancelled. The pending claims are thus 16 and 18-21. The Office has made final the rejection of claims 1-4 and 9-21 under 35 U.S.C. § 103 as being unpatentable over Shkedy (US Patent No. 6,260,024) and claims 5-8 under 35 U.S.C. § 103 as being unpatentable over Shkedy (US Patent No. 6,260,024) in view of the "eBay" article. The latter rejection is moot in view of the cancellation of claims 5-8 herein.

For the following reasons, the undersigned representative respectfully traverses the rejections as set forth below.

**Rejection in View of Shkedy**

Claims 16 and 18-21 have been re-written in independent form to include all preceding limitations.

With respect to claims 16 and 18-21, each claim includes, *inter alia*, specific limitations for facilitating settlement between the buyer and the seller. Shkedy fails to teach or suggest the combinations of limitations recited in claims 16 and 18-21. More particularly, for example, independent claim 16 includes:

....setting a first time period within which the seller must deliver the good to the buyer;

when the seller delivers the good to the buyer within the first time period, setting a second time period within which the buyer inspects the goods to determine conformance; and

when either (i) the buyer acknowledges conformance of the good within the second time period or (ii) the second time period expires with no further contact from the buyer, retrieving the final bid amount from the escrow account; and

crediting the final bid amount to the seller's payment account.

The undersigned has reviewed the Office's rejection and the Shkedy reference, but fails to see where these limitations are recited therein. At most, Shkedy teaches delay of payment until purchased goods are sent and confirmed received by the buyer. There is no discussion in Shkedy of the setting of particular time periods for the sending and inspection of goods. Further, claims 18-21 include additional time periods and actions for facilitating settlement, e.g., "setting a third time period within which the buyer either (iii) returns the good to the seller or (iv) requests a bargaining session with the seller when the buyer determines that the good is non-conforming," also not taught or suggested by Shkedy. Finally, claims 20 and 21 specifically claim, *inter alia*, the process for facilitating settlement when a buyer bid is below the threshold value requested by the seller. Again, Shkedy does not teach or suggest this process.

The undersigned respectfully submits that claims 16 and 18-21 are allowable over the cited references.

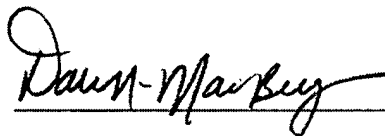
CONCLUSION

The undersigned representative respectfully submits that the claims presented herein are in condition for allowance in view of the cited prior art and earnestly request a notice of allowance to that effect. Should there be any further issues regarding prosecution of this case, please do not hesitate to contact the undersigned at the number provided below.

Respectfully submitted,

Date: \_\_\_\_\_

6/4/04

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